

**GOVERNMENT OF INDIA
STEEL
LOK SABHA**

UNSTARRED QUESTION NO:2775
ANSWERED ON:23.07.2009
PRICES OF STEEL
Kodikunnil Shri Suresh

Will the Minister of STEEL be pleased to state:

- (a) whether the major steel producers of the country have reduced the consumer sale price of various products at the request of the Government;
- (b) if so, the extent of reduction in the prices alongwith the names of such products;
- (c) whether the dividend of Steel Authority of India Ltd. (SAIL) is likely to come down due to reduction in the sale price; and
- (d) if so, the assessment in this regard?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF STEEL(SHRI A. SAI PRATHAP)

- (a) Steel is a deregulated sector in India where the price of steel products is decided by the producers depending upon factor such as demand-supply position international price, cost of inputs materials etc. Therefore, government has no direct role in determining the sales price of steel.
- (b) There are a wide variety of steel items produced in India and the producers sell their products directly to the customers based on long term and short term contracts, and also through dealers and distributors. Ministry of Steel monitors the trend in market prices of a representative category of steel items in the market, which are compiled by Joint Plant Committee (JPC) based on the market information. The price of these steel items, as in Delhi market for the past one year is given in the annex.
- (c)&(d): Steel Authority of India Limited (SAIL) pays dividend as per the Government guidelines subject to the recommendations of SAIL Board and approval by the shareholders. The dividends of SAIL for the year 2008-09 has not yet been approved by the shareholders of the company in the Annual General Meeting.